Indiana State
Teachers' Retirement Fund

2009
Retirement Application

Indiana State Teachers' Retirement Fund
150 West Market Street
Suite 300
Indianapolis, IN 46204-2809

Building Your Retirement Future

Dear Retiring Member:

Congratulations on your retirement. Thank you for your service to Indiana's students. This booklet contains all of the information necessary for us to process your retirement through the Indiana State Teachers' Retirement Fund (TRF).

This process requires making many important decisions, some of which will affect the rest of your life. Generally, these are permanent decisions that cannot be reversed after your retirement date. The final processing of your application takes approximately 60-90 days after your retirement date; however, you may begin receiving estimated payments shortly after your retirement, once your portion of the application is received and processed by our office.

If you need additional assistance after reviewing this booklet, we recommend visiting our Web site at www.in.gov/trf or scheduling a retirement counseling session with one of our staff at our office in Indianapolis. You may schedule an appointment by calling our office directly at (317) 232-3860 or toll-free (888) 286-3544. You may also schedule an appointment through our online calendar on our Web site.

We wish you the best and look forward to assisting you throughout the retirement process.

Sincerely,

Steve Russo
Executive Director

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GENERAL DIRECTIONS

- Complete and return Part I, in black or blue ink **only**. Applications completed in pencil or other colors will be returned because they are not readable by our scanning equipment. The use of white out is acceptable providing you initial each correction as well as any other corrections made to the form.

- Birth Certificates – We must have a copy of your birth certificate or equivalent documentation. If you designate a survivor, you must also provide the survivor's birth certificate. The following are acceptable forms of proof of birth:

    - A copy of a hospital-issued birth certificate, as well as a copy of a driver's license or photo identification card issued by the state;
    - A copy of a Certificate of Birth Registration signed by the health officer of the city, county or state where the birth occurred;
    - A copy of a valid United States of America Passport;
    - An executed Proof of Birth affidavit which can be found on our Web site and a copy of a driver's license or photo identification card issued by the state;
    - If your birth certificate is in a language other than English, please provide a certified English translation; or
    - Other proof of birth may be submitted to the Board of Trustees for approval.

- Retirees age 70 or older who have made an election under IC 5-10.2-4-8.2 may not choose options ASA 5 or ASA 6, unless currently working in a covered position.

- Social Security Integration – You must submit a copy of your current Social Security statement for age 62 to calculate your benefit. This does not apply if you are age 62 or older or applying for a disability retirement.

- Remove Part II and give to your employer(s). If you have been employed with more than one employer or employed concurrently with two or more employers during the last eight years, you will need to give a Part II to each of your employers.

- Upon qualification and application for retirement benefits, credited service and monies are transferable from the Indiana Public Employees' Retirement Fund (PERF).

- Delayed Retirement – Please indicate a delayed date of retirement if you are not age eligible on your last day of service.

- As of July 1, 2008, there <u>must</u> be a minimum of thirty (30) days of separation from service if you choose to reemploy in a TRF- or PERF- covered position. The 30-day separation period is measured from your benefit accrual date. If you reemploy, any retirement benefits you receive during this period <u>must</u> be repaid.

GENERAL DIRECTIONS (Continued)

- When selecting your beneficiar(ies), please know any previous beneficiary designations will be replaced with those listed on this application. If no beneficiary selection is made, it will default to your estate.

- Generally, a member who files for regular or disability retirement may not change retirement options or change the named survivor beneficiary unless the retired member's designated beneficiary pre-deceases the member, the member marries for the first time after retirement, or the member becomes divorced and the divorce decree permits the change.

- When a **non-spouse** survivor is named, the minimum distribution requirement will not be satisfied as of the date distributions commence unless the payments to be made to the member on and after retirement satisfy certain conditions (*See* IRS Bulletin 2004-26 I.R.B.*)*. Namely, the periodic payment payable to the survivor must not at any time on and after the member's retirement exceed a percentage adjusted by the age differential between the member and survivor as described by the IRS. Because TRF allows for non-spouse survivors, two of our options might violate this rule depending on the ages of the member and the non-spouse survivor (100% and 66%). The 50% (B3) option would not violate the rule because the applicable percentage never goes lower than 52% according to the IRS table. In order that the minimum distribution requirement of the IRS is not violated, the following procedure should be used when a non-spouse survivor is designated:

  Non-spouse as survivor
  (1) If the non-spouse survivor is older than the member at the time of retirement, then the member may choose the B1, B2, or B3 option.
  (2) If the non-spouse survivor is not more than 10 years younger at the time of retirement, then the member may choose B1, B2, or B3.
  (3) If the non-spouse survivor is more than 10 years younger at the time of retirement, then the following analysis must be made:
  (a) Determine age of member during calendar year;
  (b) Determine age of survivor during calendar year;
  (c) (Member age – survivor age) – (70 – member age);
  (d) If (c) is 10 or less, then the member may select B1, B2, or B3.
  (e) If (c) is 24 or less, but more than 10, then the member may select the B2 or B3 option;
  (f) If (c) is more than 24, then the member may select only the B3 option.

Remember this procedure only applies when a non-spouse survivor is designated.

For additional information or assistance, please contact our office. Hours of operation are Monday through Friday 8:00 a.m. until 4:30 p.m. Eastern Time.

APPLICATION FOR RETIREMENT BENEFITS
PART I
State Form 23226 (R19 / 10-08)
Approved by State Board of Accounts, 2008

INDIANA STATE TEACHERS' RETIREMENT FUND
150 West Market St., Suite 300
Indianapolis, IN 46204-2809
Telephone: (317) 232-3860 / (888) 286-3544
Website: www.in.gov/trf

PRIVACY NOTICE

Your Social Security number is being requested pursuant to IRS Code 3405. Disclosure is mandatory and this document cannot be processed without it.

INSTRUCTION: *All pages of this application must be submitted.*

MEMBER INFORMATION

Last name	**First name**	**MI**	**TRF number**
Social Security number	**Date of birth**	**Telephone number** ( ) -	**E-mail address**
Current street address	**City**	**State**	**ZIP code**
If moving, future address & future telephone number		**Anticipated move date**	
From what School Corporation/State Facility are you retiring?	**What is your last day of service?**	**Date of delayed retirement** (*only complete if you are not age eligible on your last service day*)	

Are you applying for <u>regular</u> retirement (most common)? Age 65 with 10 or more years of creditable service, age 60 with 15 or more years of creditable service, or age 55 if age and creditable service total a minimum of 85 (Rule of 85).	**Yes**	**No**
Are you applying for <u>early</u> retirement? Age 50-59 and a minimum 15 years of creditable service and do not meet the Rule of 85.	**Yes**	**No**
Is this a <u>disability</u> retirement? Members with 5 or more years of creditable service who become disabled as determined by the Social Security Administration while teaching in Indiana.	**Yes**	**No**
If you are age 70 or older, you may elect to continue teaching while receiving retirement benefits. If you make this election, no ASA contributions may be made and no additional service credit or supplemental pension is earned. Your benefit will not increase even if you continue to work. **Do you wish to make this election?** If yes, what would you like to use as your retirement date? ________________________	**Yes**	**No**
Have you ever been employed in a position covered by Public Employees' Retirement Fund (PERF)? If yes, please indicate the years and location of PERF Service. Dates employed___________________ Location ____	**Yes**	**No**

Individuals with service in both the Indiana State Teachers' Retirement Fund (TRF) and the Public Employees' Retirement Fund (PERF) have the choice of which fund from which to retire; however, you may choose only one. By submitting this application, you are choosing to retire from TRF. If you would like to retire from PERF, you may obtain an application at http://in.gov/perf.

ELECTION OF PENSION BENEFIT

Choose only <u>one</u> option below by placing an “X” in the appropriate box. Generally, your selection is irrevocable and cannot be changed after the first day of the month in which benefit payments are scheduled to begin.

☐	**A-1** **5-Year Certain & Life (Regular form of Retirement)**	Lifetime benefit to the member. In the event the member dies before receiving 5 years of payments, the beneficiary will receive the remainder of the 5 years of guaranteed payments. **Members selecting this option <u>may</u> designate beneficiary selections below.**
☐	**A-2** **Straight Life**	Lifetime benefit to the member. A minimum amount provision insures an amount equal to the Annuity Savings Account (ASA) balance at time of retirement will be paid either to the member or beneficiary. **Members selecting this option <u>may</u> designate beneficiary selections below.**
☐	**A-3** **Modified Cash Refund + 5-Year Certain & Life**	Lifetime benefit to the member. In the event the member dies before receiving 5 years of payments, the beneficiary will receive the remainder of the 5 years of guaranteed pension payments. The Annuity Savings Account (ASA) is reduced with each monthly benefit paid; if the member dies before reducing this balance to $0.00, the beneficiary will receive a single payment of the amount remaining. This pension option is only available with the ASA 1 or ASA 7. **Members selecting this option <u>may</u> designate beneficiary selections below.**
☐	**B-1** **100% Survivor Benefit**	Lifetime benefit to the member. Guarantees upon the death of a member, the designated, qualified survivor will receive 100% of the member’s monthly benefit for the remainder of survivor’s life. For an explanation of a qualified survivor, see the general directions. **Members selecting this option <u>must</u> designate a survivor below.**
☐	**B-2** **66-2/3% Survivor Benefit**	Lifetime benefit to the member. Guarantees upon the death of a member, the designated, qualified survivor will receive 66-2/3% of the member’s monthly benefit for the remainder of survivor’s life. For an explanation of a qualified survivor, see the general directions. **Members selecting this option <u>must</u> designate a survivor below.**
☐	**B-3** **50% Survivor Benefit**	Lifetime benefit to the member. Guarantees upon the death of a member, the designated, qualified survivor will receive 50% of the member’s monthly benefit for the remainder of survivor’s life. **Members selecting this option <u>must</u> designate a survivor below.**

For A-1, A-2, or A-3 only

Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	**Primary** ☐ **Secondary** ☐
Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	**Primary** ☐ **Secondary** ☐
Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	**Primary** ☐ **Secondary** ☐

For B-1, B-2, or B-3 only

Full name of survivor	**Social Security number**	**Date of birth**	**Relationship**

In addition to your pension selection, choose only <u>one</u> designation below by placing an “X” in the appropriate box.

Social Security Integration ☐ Yes ☐ No ☐ N/A	Members retiring between the ages of 50 and 62 may integrate TRF benefits with the member’s Social Security benefits. TRF pays a larger monthly benefit payment before age 62. However, benefit payments may be greatly reduced or terminated at age 62, depending on the member’s estimated monthly Social Security disbursement. As TRF does not work in conjunction with Social Security, this selection will NOT affect the amount of your benefit received from Social Security. **If you check yes, you <u>must</u> submit a copy of your most recent Social Security statement.**

ELECTION OF ANNUITY SAVINGS ACCOUNT (ASA)

Choose only one option below by placing an "X" in the appropriate box. Generally, your selection is irrevocable and cannot be changed after the first day of the month in which benefit payments are scheduled to begin.

☐	**ASA 1**	I elect to receive the total amount of my ASA paid as a monthly benefit. By choosing this alternative, I will combine the monthly pension with my ASA. This will allow me to receive a higher monthly benefit payment.
☐	**ASA 2**	I elect to have the total amount of my ASA (less mandatory Federal Income Tax Withholding) paid directly to me.
☐	**ASA 3**	I elect to have ALL of the taxable portion of my ASA paid in the form of a Direct Rollover to an IRA or qualified Retirement Plan. I elect to receive a distribution paid directly to me of an amount equal to my tax basis (after-tax contribution) in my ASA balance as it existed on December 31, 1986. **You must indicate your IRA or Qualified Plan information below.**
☐	**ASA 4**	I elect to have PART of the taxable portion of my ASA paid in the form of a Direct Rollover to an IRA or a Qualified Retirement Plan. I elect to receive a distribution paid directly to me of an amount equal to my tax basis (after-tax contribution) in my ASA balance as it existed on December 31, 1986. Additionally, the part of the taxable portion of the distribution not directly rolled over (less mandatory Federal Income Tax Withholding) will be paid directly to me. **You must indicate your IRA or Qualified Plan information below.** **Partial Rollover amount (Minimum $500)** $.
☐	**ASA 5**	I elect to defer distribution of my ASA until a later date. My account will continue to be invested with TRF under the same guidelines applicable to an ASA. I understand I may change the allocation strategy of my ASA quarterly. **If you do not want your assets in this account paid to your estate at your death, you must designate a beneficiary below.**
☐	**ASA 6**	I elect to receive a distribution of an amount equal to my tax basis (after-tax contribution) in my ASA balance as it existed on December 31, 1986 and defer distribution of the remainder of my ASA until a later date. My account will continue to be invested with TRF under the same guidelines applicable to an ASA. I understand changes to the allocation strategy of my ASA may be made quarterly. **If you do not want your assets in this account paid to your estate at your death, you must designate a beneficiary below.**
☐	**ASA 7**	I elect to receive a distribution of an amount equal to my tax basis (after-tax contribution) in my ASA balance as it existed on December 31, 1986. The remainder of my ASA will be paid as a monthly benefit. By choosing this option, I will combine the monthly pension with the remainder of my ASA so I may receive a higher monthly benefit payment.

For ASA 3 or ASA 4 only

Individual Retirement Account or Qualified Retirement Plan account information

I acknowledge the designated plan is an IRA or Qualified Retirement Plan with provisions allowing it to accept direct rollovers on my behalf. TRF should make the direct rollover check payable to:

______________________________ as trustee of ______________________________

Name of IRA company   Name of member

For ASA 5 or ASA 6 only

Full name of beneficiary	Social Security number	Date of birth	Relationship	Primary / Secondary
				Primary ☐ Secondary ☐
Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	Primary ☐ Secondary ☐
Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	Primary ☐ Secondary ☐

ELECTION OF ROLLOVER SAVINGS ACCOUNT (RSA)

☐ **I have not created a Rollover Savings Account by rolling funds into TRF.**

Choose **one** option below by placing an "X" in the appropriate box. Generally, your selection is irrevocable and cannot be changed after the first day of the month in which benefits begin. A Rollover Savings Account (RSA) is created by rolling funds from an IRA, 457(b) Deferred Compensation Plan, a 403(b) Annuity or another Qualified Retirement Plan into TRF.

☐	**RSA 1**	I elect to receive the total of my RSA as a monthly benefit. I understand I will not receive any distribution from my RSA other than this monthly amount. By choosing this option, I will combine the monthly pension with my RSA to receive a higher monthly benefit payment.
☐	**RSA 2**	I elect to have the total amount of my RSA (less mandatory Federal Income Tax Withholding) paid directly to me.
☐	**RSA 3**	I elect to have my RSA paid in the form of a direct rollover to an IRA or a Qualified Retirement Plan. **You <u>must</u> complete your IRA or Qualified Plan information below.**
☐	**RSA 4**	I elect to have PART of my RSA paid in the form of a direct rollover to an IRA or Qualified Retirement Plan. Also, the part of the taxable portion of the distribution not directly rolled over (less mandatory Federal Income Tax Withholding) will be paid directly to me. **You <u>must</u> complete your IRA or Qualified Plan information below.** **Partial Rollover Amount (Minimum $500)** **$.**
☐	**RSA 5**	I elect to defer distribution of my RSA until a later date. My account will continue to be invested with TRF under the same guidelines applicable to a RSA. I understand I may change the allocation strategy of the RSA quarterly. Distribution **<u>must</u>** begin no later than the calendar year in which you reach age 70-½. **If you do not want your assets in this account paid to your estate at your death, you <u>must</u> designate a beneficiary below.**

For RSA 3 & RSA 4 only

Individual Retirement Account or Qualified Retirement Plan account information

I acknowledge the designated plan is an IRA or Qualified Retirement Plan with provisions allowing it to accept direct rollovers on my behalf. TRF should make the direct rollover check payable to:

_______________________________________ as trustee of _______________________________________

Name of IRA company Name of member

For Rollover 5 only

Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	**Primary** ☐ **Secondary** ☐
Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	**Primary** ☐ **Secondary** ☐
Full name of beneficiary	**Social Security number**	**Date of birth**	**Relationship**	**Primary** ☐ **Secondary** ☐

** REEMPLOYMENT NOTICE **		
If you reemploy in a TRF- or PERF- covered position within the minimum separation period of 30 days, you must notify TRF of your reemployment as your retirement will become void, your benefits will stop, and any benefits distributed must be repaid to TRF. Failure to timely notify TRF of your reemployment in a covered position within the minimum separation period could result in a large accrual of benefits that must be repaid to TRF.		
AFFIRMATION		
I affirm that I am the above named applicant. I have carefully read (or in the case of disability, I have had read to me) and understand the application for retirement. All information is complete and true, represents my choices, and no material fact has been concealed or omitted therefrom. I understand that unless a statutory exception exists, my designations, options, and alternatives are irrevocable after the first day of the month my benefits are scheduled to begin. I have had ample time to consider my choices and to seek counsel prior to making my selection(s) in making claim for a retirement benefit to be made payable to me pursuant to Indiana Code, section 5-10.2 and section 5-10.4.		
I acknowledge that the retirement benefit option selections I have made in this document are irrevocable except in the case of a survivor's death or some qualifying divorce decrees.		
Printed name of member	Signature of member	Date
NOTARY CERTIFICATION		

SS:

County of ___________________________

Before me the undersigned, a Notary Public for____________________________________ County,
Officer's county of residence

State of _______________________, personally appeared ____
Name of person

And they, being first duly sworn by me upon their oath, say that the facts alleged in the foregoing instrument are true.

Signed and sealed this ______ day of _________________________, 200__.

(Signature) _______________________________________

____
Printed or typed name of officer

My commission expires:______________________

(SEAL)

Guidelines for Completing the Direct Deposit Application

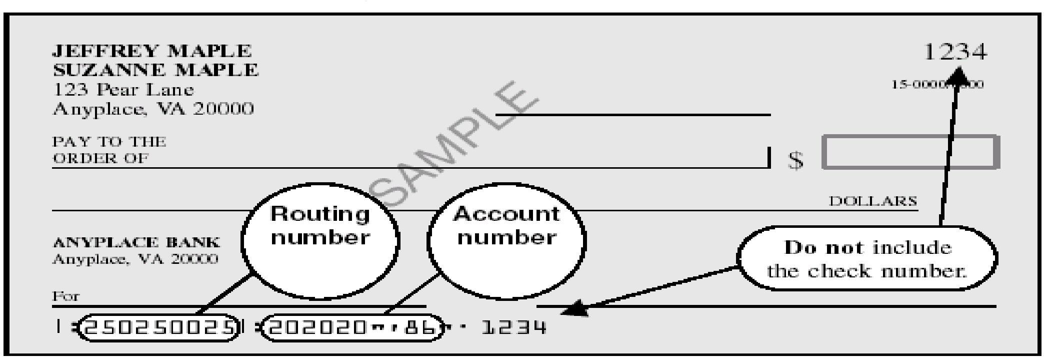
- Your Social Security number is required to process this form. If you are a survivor entitled to receive the original member's benefit, enter "your" Social Security number.

- If the deposit is going into a joint account, all names on the account must be completed in the repayment acknowledgement section.

- This form must be signed by the payee or the payee's duly authorized and appointed power of attorney or guardian/conservator. If this form is signed by the power of attorney or guardian, a copy of supporting documents must accompany this application.

- This form must be received in our office no later than the 10th of the month for your direct deposit to begin on the 1st of the following month.

For your record, each month you will receive an electronic funds transfer receipt via the U.S. Mail.



Note. The routing and account numbers may be in different places on your check.

APPLICATION FOR DIRECT DEPOSIT

State Form 47144 (R4 / 3-07)
Approved by State Board of Accounts, 2007

INSTRUCTIONS: Must use black or blue ink only.

INDIANA STATE TEACHERS' RETIREMENT FUND
150 West Market Street, Suite 300
Indianapolis, Indiana 46204-2809
(888) 286-3544 / www.in.gov/trf

A trust is deemed to be in effect by the operation of this instrument in the periodic transfer of funds by the payor to the financial organization acting as trustee for the lifetime benefit of the payee to retain and to revert to the payor the funds transferred after the death of the payee. This instrument is governed by the Indiana law and enforceable under the jurisdiction of the State of Indiana. Social Security numbers are requested by this state agency in accordance with the requirements of IRS Code 3405. This form will not be processed without this information.

AUTHORIZATION

Instead of receiving periodic recurring benefit payments by check from the Indiana State Teachers' Retirement Fund, I (*payee*) authorize and request TRF to direct the net amount of such recurring payments to my account at the financial organization (*Bank*) designated below, and I authorize said Bank to accept and to credit the payments to my account. I acknowledge that the transfer of the payments by TRF to the Bank be deemed complete satisfaction and discharge of the obligation of TRF due me. This authorization is not an assignment of my right to receive payment and revokes all prior payment direction notifications applicable to these payments. I will comply with the Bank's procedures providing safeguards against withdrawals of deposits after my death. If any deposits are made subsequent to my death to which I am not entitled, I hereby authorize and direct said Bank on behalf of my estate to refund said deposits to TRF and to charge same to my account.

Full name of payee	**TRF number**	**Social Security number**

Street address **New Address** ☐	**City**	**State**	**ZIP code**	**Telephone number** ( ) -

Are you receiving more than one monthly benefit check from TRF? ☐ Yes ☐ No	If so, do you want all TRF checks deposited into the same account? ☐ Yes ☐ No	If not, please complete another Application for Direct Deposit.

REPAYMENT ACKNOWLEDGEMENT

This section must be completed by any person other than the payee who will or may have access to the account into which the TRF benefit will be deposited, such as including but not limited to a person designated a power of attorney, a guardian or conservator, or a joint owner of the account. All such persons who have such access do hereby agree, as evidenced by their signatures, to notify the Bank and TRF of the payee's death promptly and further agree to be held liable for any amounts due to be returned to TRF from the deposit account after the payee's death.

Name of Authorized Person	**Authorization Signature**	**Date Signed** (*month, day, year*)	**Social Security Number**

ACCOUNT INFORMATION

Please complete the following information and attach a voided check or deposit voucher.

Routing number (ABA number) ☐☐☐☐☐☐☐☐☐	**Account number**
Type of account ☐ **Savings** ☐ **Checking**	
List all names on the account	**Name, address, and telephone number of financial organization**
Signature of payee	**Date signed (*month, day, year*)**

FEDERAL AND INDIANA STATE INCOME TAX WITHHOLDING FOR MONTHLY BENEFIT
State Form 53465 (12-07)
Approved by State Board of Accounts, 2008

Indiana State Teachers' Retirement Fund
150 West Market St., Suite 300
Indianapolis, IN 46204-2809
Telephone: (317) 232-3860 /
(888) 286-3544
Website: www.in.gov/trf

PRIVACY NOTICE
Your Social Security number is being requested pursuant to IRS Code 3405. Disclosure is mandatory and this document cannot be processed without it.

MUST USE BLACK OR BLUE INK

FEDERAL INCOME TAX WITHHOLDING
This section is <u>mandatory</u> and must be submitted with application.

Full name		Social Security number	
Street address		TRF number	
City	State	ZIP code	Telephone number ( ) -
I authorize the Indiana State Teachers' Retirement Fund to withhold the following dollar amount **each month** for Federal Tax Withholding:		$	
Signature		Date (*month, day, year*)	
This section of the form is required for retirement processing. Please consult a qualified tax professional if you have questions regarding the tax status of your retirement income.			

INDIANA STATE INCOME TAX WITHHOLDING
This section is <u>voluntary</u>. If you would like to have Indiana State Income Tax withheld, please complete this section.

The Indiana State Income Tax Rate is 3.4%. The 3.4% rate does not include county tax.

Full name		Social Security number	
Street address		TRF number	
City	State	ZIP code	Telephone number ( ) -
I authorize the Indiana State Teachers' Retirement Fund to withhold the following dollar amount **each month** for Indiana State Tax Withholding:		$	
I hereby request voluntary Indiana State Income Tax Withholding from my monthly pension/annuity payments.			
Signature		Date (*month, day, year*)	

INDIANA STATE INCOME TAX WITHHOLDING
FOR LUMP SUM DISTRIBUTION
State Form 53466 (12-07)
Approved by State Board of Accounts, 2008

Indiana State Teachers' Retirement Fund
150 West Market St., Suite 300
Indianapolis, IN 46204-2809
Telephone: (317) 232-3860 / (888) 286-3544
Website: www.in.gov/trf

PRIVACY NOTICE

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MUST USE BLACK OR BLUE INK

This form is optional. If you elect to receive a lump sum distribution of your Annuity Savings Account (options ASA 2 or ASA 4) and would like to have Indiana State Income Tax withheld from your distribution, please complete this form.

The Indiana State Income Tax Rate is 3.4%. The 3.4% rate does not include county tax.

Full name		Social Security number	
Street address		TRF number	
City	State	ZIP code	Telephone number ( ) -
I authorize the Indiana State Teachers' Retirement Fund to withhold the following dollar amount for Indiana State Tax Withholding from my lump sum distribution:			$
I hereby request voluntary Indiana State Income Tax Withholding from my lump sum distribution of my Annuity Savings Account.			
Signature		Date (*month, day, year*)	
Please consult a qualified tax professional if you have any questions regarding the tax status of your retirement income.			

APPLICATION FOR RETIREMENT BENEFITS
PART II
State Form 53486 (R / 10-08)
Approved by State Board of Accounts, 2008

INDIANA STATE TEACHERS' RETIREMENT FUND
150 West Market St., Suite 300
Indianapolis, IN 46204-2809
Telephone: (317) 232-3860 / Toll-free: (888) 286-3544
Website: www.in.gov/trf

PRIVACY NOTICE
Your Social Security number is being requested pursuant to IRS Code 3405. Disclosure is mandatory and this document cannot be processed without it.

INSTRUCTIONS

Please submit the following information within 30 days of the teacher's last day of service:

- *A description of your current retirement incentive program*
- *Copy of 2008-2009 contract*
- *Complete the employer verification report on the following pages (retiring teachers will not receive their final benefit calculation until after this portion is received in our office)*
- *Submit online at www.in.gov/trf, fax to (317) 233-0914 or send via US Mail to:*

Indiana State Teachers' Retirement Fund - 150 West Market Street, Suite 300 - Indianapolis, Indiana 46204

SECTION 1 (MEMBER PORTION)

Member's name	Social Security number	TRF number

SECTION 2 (EMPLOYER VERIFICATION)

School Year	Contract Salary	Salary Paid (P31 Report)	Additional/Lost Earnings (show + or -)	Additional/Lost Earnings Specific Reason (Stipend is too general)	Summer School Contract Dates (mm/dd/yy)		Summer School Contract Amount
2001-02	$	$	$		From	To	$
			$		From	To	$
2002-03	$	$	$		From	To	$
			$		From	To	$
2003-04	$	$	$		From	To	$
			$		From	To	$
2004-05	$	$	$		From	To	$
			$		From	To	$
2005-06	$	$	$		From	To	$
			$		From	To	$
2006-07	$	$	$		From	To	$
			$		From	To	$
2007-08	$	$	$		From	To	$
			$		From	To	$
2008-09	$	$	$		From	To	$
			$		From	To	$

Are there contract amounts higher than the years indicated above? If so, please provide the information below:

School Year	Contract Salary	Salary Paid (P31 Report)	Additional/Lost Earnings (show + or -)	Additional/Lost Earnings Specific Reason (Stipend is too general)	Summer School Contract Dates (mm/dd/yy)		Summer School Contract Amount
	$	$	$		From	To	$
			$		From	To	$
	$	$	$		From	To	$
			$		From	To	$

Does the 2001-02 P31 Report on the previous page include any amount actually earned prior to July 1, 2001, but paid July 2001 or later from regular contract, summer school or other?

☐ Yes ☐ No Regular Contract $______________ Summer School/Other $________________

Does the 2008-09 P31 Report on the previous page include any amount actually earned prior to July 1, 2008, but paid July 2008 or later from regular contract, summer school or other?

☐ Yes ☐ No Regular Contract $______________ Summer School/Other $________________

Is the employee in the "96 Plan"? ☐ Yes ☐ No

Does the employer pay the employee contributions? ☐ Yes ☐ No

Date the school began paying employee contributions:

Quarter 2008-09	Salary Paid (P31 Report)	Contributions paid by Employee	Contributions paid by Employer	Voluntary Post-Tax Contributions	Voluntary Pre-Tax Contributions	Days Worked
1st Qtr.	$	$	$	$	$	
2nd Qtr.	$	$	$	$	$	
3rd Qtr.	$	$	$	$	$	
4th Qtr.	$	$	$	$	$	
1st Qtr. 2009-10	$	$	$	$	$	

Member's full name	**Member's Social Security number**	**Member's TRF number**
Member's last day of service	**Name of school corporation**	**TRF employing unit number**

Employer telephone number	**Employer fax number**	**Employer email address**
( ) -	( ) -	

Employer address

I hereby affirm under the penalty of perjury, according to official records, the above information is true and accurate.

Employer contact name (printed)	**Employer contact signature**	**Date signed**

Special Tax Instructions

Federal Withholding

- All Retirees must fill out Federal Withholding Form (Page 10).

State Withholding

- State Withholding on monthly pension payments is optional. If a retiree would like to have money withheld for Indiana State Income Tax purposes, the retiree should fill out Form WH-4P. Members **must** list their Social Security number or Indiana State Teachers' Retirement Fund (TRF) number as well as an exact dollar amount to withhold each month (Page 10).

  Note: Retirees who do not reside in Indiana should not fill out Form WH-4P. TRF is only able to deduct for Indiana taxes. If you reside out of state, you will not owe Indiana tax.

ASA 2 or ASA 4

- Retirees who elect to receive any taxable portion of the Annuity Savings Account (ASA) may withhold Indiana State Income Tax even though Indiana withholding on total distribution payments is optional. Members should complete Form WH-4P for total distribution payments. Members **must** list their Social Security number or Indiana State Teachers' Retirement Fund (TRF) number as well as an exact dollar amount to withhold each month (Page 11).

ASA 5 or ASA 6

- Under current IRS regulations, members are required to receive distributions from the member's Annuity Savings Account (ASA) by April 1 if the member reached age 70 ½ in the previous calendar year and retired in the previous calendar year or earlier.

The Indiana State Teachers' Retirement Fund strongly recommends you contact a qualified tax consultant should you have questions regarding tax consequences for retirement options.

SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS UNDER GOVERNMENTAL 401(a) PLANS

This notice explains how you can continue to defer federal income tax on your retirement savings in the Indiana State Teachers' Retirement Fund (TRF) and contains important information you will need before you decide how to receive your Plan benefits.

This notice is provided to you by [The Indiana State Teachers' Retirement Fund (TRF)] because all or part of the payment that you will soon receive from the Plan may be eligible for rollover by you or your Plan Administrator to an IRA or an eligible employer plan. A rollover is a payment by you or the Plan Administrator of all or part of your benefit to another plan or IRA that allows you to continue to postpone taxation of that benefit until it is paid to you. Your payment cannot be rolled over to a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA). Note, however, that for a distribution made <u>after</u> December 31, 2007, your payment <u>can</u> be rolled over to a Roth IRA subject to the same limits that apply to rollovers from a traditional IRA to a Roth IRA (i.e., for tax years prior to January 1, 2010, your adjusted gross income cannot exceed $100,000 and you must not be married filing separately). An "eligible employer plan" includes a plan qualified under section 401(a) of the Internal Revenue Code, including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a section 403(a) annuity plan; a section 403(b) tax-sheltered annuity; and an eligible section 457(b) plan maintained by a governmental employer (governmental 457 plan).

An eligible employer plan is not legally required to accept a rollover. Before you decide to roll over your payment to another employer plan, you should find out whether the plan accepts rollovers and, if so, the types of distributions it accepts as a rollover. You should also find out about any documents that are required to be completed before the receiving plan will accept a rollover. Even if an eligible employer plan accepts rollovers, it might not accept rollovers of certain types of distributions, such as after-tax amounts. If this is the case, and your distribution includes after-tax amounts, you may wish instead to roll your distribution over to an IRA or split your rollover amount between the employer plan in which you will participate and an IRA. If an eligible employer plan accepts your rollover, the plan may restrict subsequent distributions of the rollover amount or may require your spouse's consent for any subsequent distribution. A subsequent distribution from the plan that accepts your rollover may also be subject to different tax treatment than distributions from this Plan. Check with the administrator of the plan that is to receive your rollover prior to making the rollover.

If you have additional questions after reading this notice, you can contact TRF at (888) 286-3544.

SUMMARY

There are two ways you may be able to receive a Plan payment that is eligible for rollover:

1) Certain payments can be made directly to an IRA that you establish or to an eligible employer plan that will accept it and hold it for your benefit ("DIRECT ROLLOVER"); or

2) The payment can be PAID TO YOU.

If you choose a DIRECT ROLLOVER to a *traditional* IRA or an eligible employer plan:

- Your payment will not be taxed in the current year and no income tax will be withheld.

- You choose whether your payment will be made directly to your traditional IRA or to an eligible employer plan that accepts your rollover. Your payment cannot be rolled over to a Roth IRA (see the special rules for rollovers to Roth IRAs below), a SIMPLE IRA, or a Coverdell Education Savings Account because these are not traditional IRAs.

- The taxable portion of your payment will be taxed later when you take it out of the traditional IRA or the eligible employer plan. Depending on the type of plan, the later distribution may be subject to different tax treatment than it would be if you received a taxable distribution from this Plan.

Note that for a distribution made after December 31, 2007, you can choose a direct rollover to a Roth IRA subject to the same limits that apply to rollovers from a traditional IRA to a Roth IRA (i.e., for tax years prior to January 1, 2010, your adjusted gross income cannot exceed $100,000 and you must not be married filing separately). If you make a direct rollover of your distribution to a Roth IRA, the amount of your distribution will be included in your taxable income (except for any portion of the distribution that represents a return of your after-tax contributions to the Plan). You may be able to elect to delay recognizing the distribution as part of your taxable income until 2011 and 2012 if you elect a direct rollover to a Roth IRA in the 2010 taxable year. A direct rollover of your distribution to a Roth IRA avoids the 10% tax on early distributions received prior to the date you reach age 59-1/2, become disabled, or retire under the terms of the Plan. You should consult your tax advisor if you are interested in rolling over your distribution to a Roth IRA.

If you choose to have a Plan payment that is eligible for rollover PAID TO YOU:

- You will receive only 80% of the taxable amount of the payment, because the Plan Administrator is required to withhold 20% of that amount and send it to the IRS as income tax withholding to be credited against your taxes.

- The taxable amount of your payment will be taxed in the current year unless you roll it over. Under limited circumstances, you may be able to use special tax rules that could reduce the tax you owe. However, if you receive the payment before age 59-1/2, you may have to pay an additional 10% tax. See special note below for qualified public safety employees.

- You can roll over all or part of the payment by paying it to your IRA or to an eligible employer plan that accepts your rollover within 60 days after you receive the payment. The amount rolled over to a traditional IRA or eligible employer plan will not be taxed until you take it out of the traditional IRA or the eligible employer plan.

- If you want to roll over 100% of the payment to a traditional IRA or an eligible employer plan, you must find other money to replace the 20% of the taxable portion that was withheld. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over.

Qualified Public Safety Employees. On and after August 18, 2006, if you are a "qualified public safety employee" who terminates employment in the calendar year in which you are age 50 or older, and receive an eligible rollover distribution, you will not have to pay the additional 10% tax on a payment that is eligible for rollover and PAID TO YOU. You are a "qualified public safety employee" if you are an employee of a State or political subdivision of a State who provides police protection, firefighting services, or emergency medical services for an area within the jurisdiction of the State or political subdivision.

Qualified Reservist Distribution. If you are a "qualified reservist" on active duty, who takes a withdrawal after September 11, 2001, of all or part of your contributions from a deemed IRA or your elective deferrals under a 401(k) plan or 403(b) annuity, you will not have to pay the additional 10% tax on a payment that is eligible for rollover and PAID TO YOU. You are a "qualified reservist" if you are a reservist or national guardsman ordered or called to duty after September 11, 2001, and before December 31, 2007, for a period in excess of 179 days or for an indefinite period. You may repay a qualified reservist distribution to a traditional IRA (i) at any time during the two (2) year period after the end of active duty, or (ii) by August 17, 2008, if later.

Your Right to Waive the 30-Day Notice Period. Generally, neither a direct rollover nor a payment can be made from the plan until at least 30 days after your receipt of this notice. Thus, after receiving this notice, you have at least 30 days to consider whether or not to have your withdrawal directly rolled over. If you do not wish to wait until this 30-day notice period ends before your election is processed, you may waive the notice period by making an affirmative election indicating whether or not you wish to make a direct rollover. Your withdrawal will then be processed in accordance with your election as soon as practical after it is received by the Plan Administrator.

MORE INFORMATION

I. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

II. DIRECT ROLLOVER

III. PAYMENT PAID TO YOU

IV. SURVIVING SPOUSES AND ALTERNATE PAYEES

V. OTHER BENEFICIARIES

VI. SPECIAL RULES FOR SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

II. PAYMENTS THAT CAN AND CANNOT BE ROLLED OVER

Payments from the Plan may be "eligible rollover distributions." This means that they can be rolled over to a traditional IRA or to an eligible employer plan that accepts rollovers, or beginning January 1, 2008, they can be rolled over to a Roth IRA. Payments from a plan cannot be rolled over to a SIMPLE IRA or a Coverdell Education Savings Account. Your Plan administrator should be able to tell you what portion of your payment is an eligible rollover distribution.

After-tax Contributions. If you made after-tax contributions to the Plan, these contributions may be rolled into either a traditional IRA or to certain employer plans that accept rollovers of the after-tax contributions. The following rules apply:

Rollover into a Traditional IRA. You can roll over your after-tax contributions to a traditional IRA either directly or indirectly. Your plan administrator should be able to tell you how much of your payment is the taxable portion and how much is the after-tax portion.

If you roll over after-tax contributions to a traditional IRA, it is your responsibility to keep track of, and report to the Service on the applicable forms, the amount of these after-tax contributions. This will enable the nontaxable amount of any future distributions from the traditional IRA to be determined.

Once you roll over your after-tax contributions to a traditional IRA, those amounts CANNOT later be rolled over to an employer plan.

Rollover into an Employer Plan. Beginning January 1, 2007, you can roll over after-tax contributions from an employer plan that is qualified under Code section 401(a) to another such plan or to a Code section 403(b) annuity contract using a direct rollover if such other plan or annuity contract provides separate accounting for amounts rolled over, including separate accounting for the after-tax employee contributions and earnings on those contributions. If you want to roll over your after-tax contributions to an employer plan that accepts these rollovers, you cannot have the after-tax contributions paid to you first. You must instruct the Plan Administrator of this Plan to make a direct rollover on your behalf. You can also roll over after-tax contributions from an employer plan that is qualified under Code section 401(a) to a traditional IRA; however, you cannot first roll over after-tax contributions to a traditional IRA and then roll over that amount into an employer plan. You CANNOT roll over after-tax contributions to a governmental 457 plan.

The following types of payments *cannot* be rolled over:

Payments Spread over Long Periods. You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for:

- your lifetime (or a period measured by your life expectancy), or
- your lifetime and your beneficiary's lifetime (or a period measured by your joint life expectancies), or
- a period of 10 years or more.

Required Minimum Payments. Beginning when you reach age 70-1/2 or retire, whichever is later, a certain portion of your payment cannot be rolled over because it is a "required minimum payment" that must be paid to you. Special rules apply if you own more than 5% of your employer.

Hardship Distributions. A hardship distribution cannot be rolled over.

Corrective Distributions. A distribution that is made to correct a failed nondiscrimination test or because legal limits on certain contributions were exceeded cannot be rolled over.

III. DIRECT ROLLOVER

A DIRECT ROLLOVER is a direct payment of the amount of your Plan benefits to an IRA or an eligible employer plan that will accept it. You can choose a DIRECT ROLLOVER of all or any portion of your payment that is an eligible rollover distribution, as described in Part I above. Except a direct rollover to a Roth IRA on or after January 1, 2008, you are not taxed on any taxable portion of your payment for which you choose a DIRECT ROLLOVER until you later take it out of the traditional IRA or eligible employer plan. In addition, no income tax withholding is required for any taxable portion of your Plan benefits for which you choose a DIRECT ROLLOVER. This Plan might not let you choose a DIRECT ROLLOVER if your distributions for the year are less than $200.

DIRECT ROLLOVER to an IRA. You can open a traditional IRA, or beginning January 1, 2008, a Roth IRA, to receive the direct rollover. If you choose to have your payment made directly to an IRA, contact an IRA sponsor (usually a financial institution) to find out how to have your payment made in a direct rollover to an IRA at that institution. If you are unsure of how to invest your money, you can temporarily establish an IRA to receive the payment. However, in choosing an IRA, you may wish to make sure that the IRA you choose will allow you to move all or a part of your payment to another IRA at a later date, without penalties or other limitations. See IRS Publication 590, Individual Retirement Arrangements, for more information on IRAs (including limits on how often you can roll over between IRAs).

DIRECT ROLLOVER to a Plan. If you are employed by a new employer that has an eligible employer plan, and you want a direct rollover to that plan, ask the plan administrator of that plan whether it will accept your rollover. An eligible employer plan is not legally required to accept a rollover. Even if your new employer's plan does not accept a rollover, you can choose a DIRECT ROLLOVER to an IRA. If the employer plan accepts your rollover, the plan may provide restrictions on the circumstances under which you may later receive a distribution of the rollover amount or may require spousal consent to any subsequent distribution. Check with the plan administrator of that plan before making your decision.

DIRECT ROLLOVER of a Series of Payments. If you receive a payment that can be rolled over to an IRA or an eligible employer plan that will accept it, and it is paid in a series of payments for less than 10 years, your choice to make or not make a DIRECT ROLLOVER for a payment will apply to all later payments in the series until you change your election. You are free to change your election for any later payment in the series.

Change in Tax Treatment Resulting from a DIRECT ROLLOVER. The tax treatment of any payment from the eligible employer plan or IRA receiving your DIRECT ROLLOVER might be different than if you received your benefit in a taxable distribution directly from the Plan. For example, if you were born before January 1, 1936, you might be entitled to ten-year averaging or capital gain treatment, as explained below. However, if you have your benefit rolled over to a section 403(b) tax-sheltered annuity, a governmental 457 plan, or an IRA in a DIRECT ROLLOVER, your benefit will no longer be eligible for that special treatment. See the sections below entitled "Additional 10% Tax if You Are under Age 59-1/2" and "Special Tax Treatment if You Were Born before January 1, 1936."

IV. PAYMENT PAID TO YOU

If your payment can be rolled over (see Part I above) and the payment is made to you in cash, it is subject to 20% federal income tax withholding on the taxable portion (state tax withholding may also apply). The payment is taxed in the year you receive it unless, within 60 days, you roll it over to an IRA or an eligible employer plan that accepts rollovers. If you do not roll it over, special tax rules may apply.

Income Tax Withholding

Mandatory Withholding. If any portion of your payment can be rolled over under Part I above and you do not elect to make a DIRECT ROLLOVER, the Plan is required by law to withhold 20% of the taxable amount. This amount is sent to the IRS as federal income tax withholding. For example, if you can roll over a taxable payment of $10,000, only $8,000 will be paid to you because the Plan must withhold $2,000 as income tax. However, when you prepare your income tax return for the year, unless you make a rollover within 60 days (see "Sixty-Day Rollover Option" below), you must report the full $10,000 as a taxable payment from the Plan. You must report the $2,000 as tax withheld, and it will be credited against any income tax you owe for the year. There will be no income tax withholding if your payments for the year are less than $200.

Voluntary Withholding. If any portion of your payment is taxable but cannot be rolled over under Part I above, the mandatory withholding rules described above do not apply. In this case, you may elect not to have withholding apply to that portion. If you do nothing, an amount will be taken out of this portion of your payment for federal income tax withholding. To elect out of withholding, ask the Plan Administrator for the election form and related information.

Sixty-Day Rollover Option. If you receive a payment that can be rolled over under Part I above, you can still decide to roll over all or part of it to an IRA or to an eligible employer plan that accepts rollovers. If you decide to roll over, you must contribute the amount of the payment you received to an IRA or eligible employer plan within 60 days after you receive the payment. Unless you roll over your distribution to a Roth IRA, the portion of your payment that is rolled over will not be taxed until you take it out of the IRA or eligible employer plan. If you roll over to a Roth IRA, the distribution will be included in your taxable income for the year in which it was paid to you.

If you want to roll over a payment you received to a traditional IRA or eligible employer plan, you can roll over up to 100% of your payment (that can be rolled over as explained under Part I above), including an amount equal to the 20% of the taxable portion that was withheld. If you choose to roll over 100%, you must find other money within the 60-day period to contribute to the traditional IRA or the eligible employer plan, to replace the 20% that was withheld. On the other hand, if you roll over only the 80% of the taxable portion that you received, you will be taxed on the 20% that was withheld.

> ***Example:*** The taxable portion of your payment that can be rolled over under Part I above is $10,000, and you choose to have it paid to you. You will receive $8,000, and $2,000 will be sent to the IRS as income tax withholding. Within 60 days after receiving the $8,000, you may roll over the entire $10,000 to a traditional IRA or an eligible employer plan. To do this, you roll over the $8,000 you received from the Plan, and you will have to find $2,000 from other sources (your savings, a loan, etc.). In this case, the entire $10,000 is not taxed until you take it out of the traditional IRA or an eligible employer plan. If you roll over the entire $10,000, when you file your income tax return you may get a refund of part or all of the $2,000 withheld.
>
> If, on the other hand, you roll over only $8,000, the $2,000 you did not roll over is taxed in the year it was withheld. When you file your income tax return, you may get a refund of part of the $2,000 withheld. (However, any refund is likely to be larger if you roll over the entire $10,000.)

Additional 10% Tax If You Are under Age 59-1/2. If you receive a payment before you reach age 59-1/2 and you do not roll it over, then, in addition to the regular income tax, you may have to pay an extra tax equal to 10% of the taxable portion of the payment. The additional 10% tax generally does <u>not</u> apply to (1) payments that are paid after you separate from service with your employer during or after the year you reach age 55, (2) payments that are paid because you retire due to disability, (3) payments that are paid as equal (or almost equal) payments over your life or life expectancy (or your and your beneficiary's lives or life expectancies), (4) payments that are paid directly to the government to satisfy a federal tax levy, (5) payments that are paid to an alternate payee under a qualified domestic relations order, (6) payments that do not exceed the amount of your deductible medical expenses, (7) payments to a qualified public safety employee who separates from service during or after the year reaching age 50, or (8) a qualified reservist distribution from a deemed IRA or attributable to elective deferrals under a 401(k) plan or 403(b) annuity. See IRS Form 5329 for more information on the additional 10% tax.

Special Tax Treatment If You Were Born before January 1, 1936. If you receive a payment from a plan qualified under section 401(a) that can be rolled over under Part I and you do not roll it over to a traditional IRA or an eligible employer plan, the payment will be taxed in the year you receive it. However, if the payment qualifies as a "lump sum distribution," it may be eligible for special tax treatment. A lump sum distribution is a payment, within one year, of your entire balance under the Plan (and certain other similar plans of the employer) that is payable to you after you have reached age 59-1/2 or because you have separated from service with your employer (or, in the case of a self-employed individual, after you have reached age 59-1/2 or have become disabled). For a payment to be treated as a lump sum distribution, you must have been a participant in the plan for at least five years before the year in which you received the distribution. The special tax treatment for lump sum distributions that may be available to you is described below.

> ***Ten-Year Averaging.*** If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using "10-year averaging" (using 1986 tax rates). Ten-year averaging often reduces the tax you owe.
>
> ***Capital Gain Treatment.*** If you receive a lump sum distribution and you were born before January 1, 1936, and you were a participant in the Plan before 1974, you may elect to have the part of your payment that is attributable to your pre-1974 participation in the Plan taxed as long-term capital gain at a rate of 20%.

There are other limits on the special tax treatment for lump sum distributions. For example, you can generally elect this special tax treatment only once in your lifetime, and the election applies to all lump sum distributions that you receive in that same year. You may not elect this special tax treatment if you rolled amounts into this Plan from a 403(b) tax-sheltered annuity contract, a governmental 457 plan, or from an IRA not originally attributable to a qualified employer plan. If you have previously rolled over a distribution from this Plan (or certain other similar plans of the employer), you cannot use this special averaging treatment for later payments from the Plan. If you roll over your payment to an IRA, governmental 457 plan, or 403(b) tax-sheltered annuity, you will not be able to use special tax treatment for later payments from that IRA, plan, or annuity. Also, if you roll over only a portion of your payment to an IRA, governmental 457 plan, or 403(b) tax-sheltered annuity, this special tax treatment is not available for the rest of the payment. See IRS Form 4972 for additional information on lump sum distributions and how you elect the special tax treatment.

V. SURVIVING SPOUSES AND ALTERNATE PAYEES

In general, the rules summarized above that apply to payments to employees also apply to payments to surviving spouses of employees and to spouses or former spouses who are "alternate payees." You are an alternate payee if your interest in the Plan results from a "qualified domestic relations order," which is an order issued by a court, usually in connection with a divorce or legal separation.

If you are a surviving spouse or an alternate payee, you may choose to have a payment that can be rolled over, as described in Part I above, paid in a DIRECT ROLLOVER to an IRA or to an eligible employer plan or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to an IRA or to an eligible employer plan. Thus, you have the same choices as the employee.

VI. BENEFICIARIES

If you are a beneficiary other than a surviving spouse or an alternate payee and receive a distribution on or after January 1, 2007, you can choose to be paid in a DIRECT ROLLOVER to a traditional IRA, which will be treated as an inherited IRA subject to the minimum distribution rules applicable to beneficiaries. You cannot choose a direct rollover to a Roth IRA or an eligible employer plan, and you cannot roll over the payment yourself.

VII. SPECIAL RULES FOR SURVIVING SPOUSES, ALTERNATE PAYEES, AND OTHER BENEFICIARIES

If you are a surviving spouse, an alternate payee, or another beneficiary, your payment is generally not subject to the additional 10% tax described in Part III above, even if you are younger than age 59-1/2.

If you are a surviving spouse, an alternate payee, or another beneficiary, you may be able to use the special tax treatment for lump sum distributions, as described in Part III above. If you receive a payment because of the employee's death, you may be able to treat the payment as a lump sum distribution if the employee met the appropriate age requirements, whether or not the employee had 5 years of participation in the Plan.

VIII. HOW TO OBTAIN ADDITIONAL INFORMATION

This notice summarizes only the federal (not state or local) tax rules that might apply to your payment. The rules described above are complex and contain many conditions and exceptions that are not included in this notice. Therefore, you may want to consult with the Plan Administrator or a professional tax advisor *before* you take a payment of your benefits from your Plan. Also, you can find more specific information on the tax treatment of payments from qualified employer plans in IRS Publication 575, *Pension and Annuity Income*, and IRS Publication 590, *Individual Retirement Arrangements*. These publications are available from your local IRS office, on the IRS's Internet Web Site at www.irs.gov, or by calling 1-800-TAX-FORMS.

Building
Your
Retirement
Future

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